

ISSUE OF \$300,000 7 p.c. PREFERENCE STOCK OF THE DUNLOP TIRE CO. LIMITED.

TO BE INCORPORATED WITH

Authorized Capital, \$1,000,000

Divided into 10,000 Shares of \$100 each as follows:
Preferred Stock \$300,000
Common Stock 700,000

Directors:

WARREN Y. SOPER, Esq., President, Messrs. Ahearn & Soper, Ottawa.
HON. GEO. A. COX, President Canadian Bank of Commerce. EDWARD GURNEY, Esq., President Gurney Foundry Co., Limited.
E. B. RYCKMAN, Esq., Messrs. Ryckman, Kirkpatrick & Kerr. RICHARD GARLAND, Esq., Manager American Dunlop Tire Co.
BANKERS: THE CANADIAN BANK OF COMMERCE. SOLICITORS: MESSRS. RYCKMAN, KIRKPATRICK & KERR.

Head Office, - - - **Toronto.**

BRANCHES: Montreal, St. John, N B., Winnipeg, Man., Vancouver, B.C., Victoria, B.C.

Issue of \$300,000--7 per cent. Preference Stock, Cumulative.

The Dunlop Tire Company (Limited) is being incorporated under The Ontario Companies' Act, and the proceeds of this issue will be availed of to acquire as a going concern the business now carried on in Canada by The American Dunlop Tire Company, including the plant, machinery, fixtures, patent rights, trade mark, good-will and assets generally of the Company in Canada.

PATENTS.

The Patents to be acquired include all the inventions covered by Letters Patent of Canada relating to "Dunlop" Detachable Tires for Bicycles and other vehicles. Dunlop Tires are the World's standard, and are protected against infringement by fundamental patents, the validity of which has been tested and upheld in the courts of this country.

The largest makers of bicycles in the world in their 1899 catalogue to the Trade refer to Dunlop Tires as follows:

"Careful study of years on the tire question, and the results from the use of these tires (Dunlop), convince us that there is nothing as good."

OPINION OF COUNSEL.

The following is the opinion of Z. A. Lash, Esq., Q.C., and Walter Cassels, Esq., Q.C., of the firm of Messrs. Blake, Lash & Cassels:

TORONTO, 16th February, 1899.

MESSRS. RYCKMAN, KIRKPATRICK & KERR Barristers, Toronto:

Dear Sirs,—In reply to the questions contained in your letter of the 16th instant with reference to the Canadian patents upon the "Dunlop Detachable Tire," we beg to say that we are of opinion:

1. That the tire referred to is fully covered by the letters patent mentioned.

2. That such letters patent are valid, and that the manufacture and sale in Canada of similar tires can be restrained thereunder.

Yours truly,

Z. A. LASH,
WALTER CASSELS.

GUARANTEE.

In addition, The Dunlop Pneumatic Tire Company, Limited, of England, have agreed that this Company shall hold a valid and subsisting title to the said Patents, and shall enjoy the full beneficial use thereof without any interruption or disturbance and free from all incumbrances.

BUSINESS.

The American Dunlop Tire Company has for some years been the largest factor in the tire trade of the Dominion.

The net profits of the Canadian business for the year ending August 31st, 1897, were **\$35,514.73**, and for the year ending August 31st, 1898, were **\$50,929.00**.

For the year ending 31st March, 1898, the profits of the Dunlop Pneumatic Tire Company, Limited, of England reached **\$2,354,963.90**.

With the trade open to the Canadian company there is every reason to believe that the business for this current year will show a very large gain in volume and in net profits over those of the year ending August 31st, 1898. Already the shipments from the factory for the current year beginning September 1st, 1898, are almost one hundred per cent. in excess of the corresponding period of the previous year, and the future deliveries contracted for during the first **four months** of the Company's year are more than double those secured during the **whole** of the last fiscal year of the Company.

The Company will commence its operations entirely free from debt.

An agreement has been entered into with The Dunlop Pneumatic Tire Company (Limited) of England, under the terms of which that Company agrees to co-operate with and to transfer to the Canadian Company all inventions and patent rights hereafter secured relating to Pneumatic Tires or any of their component parts at the bare expense of obtaining such rights for Canada. The Company will have exclusive rights for Canada in the valuable Trade Mark and Trade Name secured to the business in Dunlop Tires.

PREFERRED STOCK.

The amount required to pay 7 per cent. on the Preferred Stock being only \$21,000, it is considered that such dividends are amply assured. It is provided that if in any one year dividends amounting to 7 per cent. are not paid on said stock the deficiency shall be a charge upon the net earnings of the Company, and shall be paid subsequently before any dividend shall be paid upon or set apart for the common stock. In case of liquidation or dissolution of the Company the holders of Preferred Stock shall have prior right on the assets of the Company before any amounts shall be payable to holders of the common stock.

The dividends on the preferred shares will be payable half-yearly.

Application will be made in due course to have the stock of the Company listed upon the Toronto and Montreal Stock Exchanges.

Subscription Books will be opened at the offices of the undersigned on Monday morning the sixth day of March next, at 10 o'clock, and close at 4 o'clock the same day. The Directors reserve the right to allot only such subscriptions and for such amounts as they may approve.

3,000 Shares of \$100 Each at par—\$300,000

Payable forthwith upon allotment

Forms of power of attorney to subscribe may be had on application.

A. E. AMES & COMPANY,

10 King St. West, Toronto